

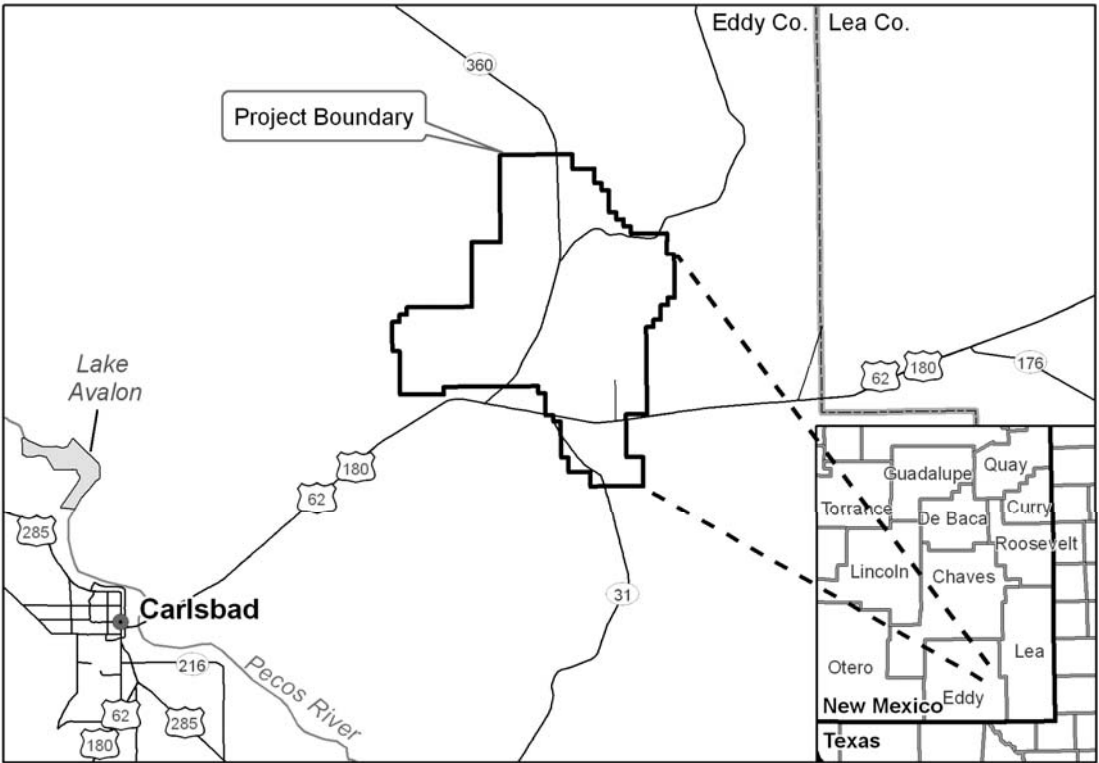
HB In-Situ Solution Mine EIS Bulletin #2



What is the HB In-Situ Project EIS ?

Intrepid Potash, Inc. proposes to construct and operate an in-situ solution mine in the inactive mine workings of the HB Potash Mine. The project is located approximately 20 miles northeast of Carlsbad in Eddy County, New Mexico. The project involves injecting saturated saline water into the mine workings and extracting a mineral-rich solution. This mineral-rich solution would be pumped to the surface and transported through a pipeline to evaporation ponds. Once the solution evaporates in the ponds, the potassium-bearing salts would be harvested from the ponds for ore refinement in a newly constructed mill. Water for the project would be obtained from saline aquifers within the project area and may be supplemented from Intrepid's existing Caprock wells fields in Lea County. Caprock water would be transported through either existing pipelines or a proposed new pipeline.

The majority of the land affected by the proposed project is located on land managed by the U.S. Department of the Interior, Bureau of Land Management (BLM). The remaining lands are either owned by the State of New Mexico or held privately. The BLM Carlsbad Field Office has determined that an environmental impact statement (EIS) is required to analyze the potential environmental impacts of the proposed project before deciding whether to allow the project to be implemented. The Draft EIS has been prepared under the guidance of the BLM Carlsbad Field Office as the lead agency.



Where is the BLM in the EIS process?

The BLM completed the preparation of the HB In-Situ Solution Mine Project Draft EIS (DEIS). (See the *Project Timeline on pages 2 and 3 of this Bulletin*). A Notice of Availability will be published in the *Federal Register* on April 15, 2011, notifying the public; federal, state, and local governments; and Tribes and Pueblos that the DEIS is available for review and comment.

The EIS is a disclosure document that assists the BLM in their decision-making process. It provides BLM with a comprehensive analysis of potential environmental impacts that could result from project development based on available data, a thorough review of applicable mitigation measures to minimize those impacts, and a rigorous examination of reasonable alternatives.

BLM encourages your participation and comments on the adequacy of the environmental analyses during the 60-day public comment period. The BLM will be hosting two public meetings to receive your comments during the DEIS public comment period. See *inside this Bulletin for details on the public meetings and how to submit comments*.

Return to:

BLM Carlsbad Field Office
620 East Greene Street
Carlsbad, NM 88220



Need more information?
HB In-Situ Solution Mine EIS Project Lead
BLM Carlsbad Field Office
620 East Greene St.
Carlsbad, NM 88220
(575) 234-5972
Email: nmcfo_comments@blm.gov
Website: <http://www.nm.blm.gov/cfo/HBIS/>

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Public Comment Meetings

Location: Pecos River Village Conference Center
711 Muscatel Dr.
Carlsbad, NM 88220

Date: May 10, 2011 **Time:** 3:00 – 7:00 p.m.

Location: Training and Outreach Building
5317 N Lovington Hwy
Hobbs, New Mexico 88240

Date: May 11, 2011 **Time:** 3:00 – 7:00 p.m.

How do I submit comments on the Draft EIS?

Your participation and comment on the Draft EIS are a vital part of the BLM's decision-making process. Comments should focus on whether the Draft EIS has sufficiently identified and evaluated the proposed project's environmental impacts and whether it adequately addressed ways to avoid or mitigate those impacts. The most effective comments are those that are concise and relevant to the HB In-Situ Solution Mine Project Draft EIS. Please see "Guidelines for Providing Effective Comments on a Draft Environmental Impact Statement."

You can submit your comments in the following ways:

- At the public meetings
- By email: nmcfo_comments@blm.gov
- By fax: (575) 885-9264
- By mail:

HB In-Situ Solution Mine EIS Project Lead
BLM Carlsbad Field Office
620 East Greene Street
Carlsbad, NM 88220

How was the EIS prepared?

BLM conducted public scoping for the HB In-Situ Solution Mine project in January 2010. Two public scoping meetings were held on January 26, 2010. During the 30-day public scoping period, BLM received 133 individual comments from 17 individuals. A majority of the comments received during the scoping period were related to the potential impacts associated with the solution mining process, including potential impacts to groundwater, subsidence, and oil and gas operations.

Based on the initial project description and scoping input, the BLM evaluated many alternatives of which four were identified to be analyzed in detail in the EIS. The National Environmental Policy Act (NEPA) requires that a reasonable range of alternatives for the proposed project be rigorously explored and objectively evaluated (40 CFR 1502.14). The four alternatives analyzed in detail are briefly described in the following table. **At the current time, the BLM has not selected a preferred alternative, and is seeking input from the public before making a selection in the Final EIS.**

No Action	Deny approval of the proposed project. Current land and resource uses would continue under the current conditions and existing permits.
Alternative A—Proposed Action	Approve Intrepid's mine operation and closure plan; grant new permits for ROWs new water supply, injection, extraction, and monitoring wells, and evaporation ponds; approve lease modifications.
Alternative B—Supplemental Water Sources	Approve the Proposed Action (Alternative A), but utilize additional water sources from Intrepid's Caprock wells through new or renovated existing pipelines, reducing the number of Rustler wells.
Alternative C—Buried Pipelines	Approve the Proposed Action (Alternative A), but modify the proposal to bury all pipelines.

What were the key environmental impacts identified in the Draft EIS?

The DEIS evaluated and compared the direct, indirect, and cumulative impacts to the individual resources (e.g. biological, cultural, human, etc.) for each of the alternatives (40 C.F.R. 1502.16). Alternative A would use mostly non-potable water from the Rustler Formation, but high impacts from drawdown of the aquifer are projected and there may not be sufficient water available to supply the project. To guarantee a sufficient supply of water for the project, Alternative B proposes to use additional potable water from the Capitan Aquifer, which has a greater recharge capacity and fewer projected impacts from drawdown. Selected key impacts identified under the action alternatives (Alternatives A, B, and C) in the HB In-Situ Solution Mine Project Draft EIS include the following:

Resource	Proposed Action (A)	Alternative B	Alternative C
Water	Max. groundwater drawdown 200 ft over 1,850 to 6,500 ac.	Max. groundwater drawdown 0–200 ft over 11,450 to 4,750 ac.	Same as Proposed Action
Caves	Up to 43 known caves may be affected by groundwater drawdown.	Between 18 – 38 known caves may be affected by groundwater drawdown.	Same as Proposed Action
Subsidence	Increased potential for ground subsidence with a maximum of 0.6 foot.		
Solid Minerals	Additional potash reserves would be recovered.		
Oil and Gas	Access to oil and gas resources in the project area would not change.		
Wildlife	Impacts from surface disturbance, habitat disruption, and fragmentation would be minor.		Less fragmentation without surface pipelines.
Recreation	Surface pipelines could affect off-highway vehicle (OHV) users in project area.		Fewer impacts for OHV users.
Socioeconomics	Increase of 259 short-term workers for construction; 36 long-term workers	Increase of 272 short-term workers for construction; 36 long-term workers	Same as Proposed Action
	Projected increase in population, housing demands, mineral royalties, and taxes		

Guidelines for Providing Effective Comments on a Draft EIS

- ✓ Become familiar with the contents of the Draft EIS, including the project's purpose and need.
- ✓ Understand the responsibilities of the federal lead agency.
- ✓ Recognize that potential impacts to resources may be described in more than one section because frequently, there are interrelationships between the resources.
- ✓ Be specific; refer to page numbers, paragraphs, and section numbers in the DEIS.
- ✓ Support your statements with explanations, details, facts, and references, as appropriate.
- ✓ Submit comments if you find:
 - An error in the analysis that could affect a conclusion or the final decision.
 - New information that could change the analysis or outcome.
 - There is a need for more clarification.
 - A substantially different alternative that meets the project's purpose and need, but was not considered in the Draft EIS.

HB In-Situ Solution Mine Project EIS Timeline
Gray boxes indicate public comment opportunities.

